



CITY OF BURLINGTON

ADMINISTRATION DEPARTMENT
300 N. Pine Street, Burlington, WI, 53105
(262) 342-1161 – (262) 763-3474 fax
www.burlington-wi.gov

AGENDA
COMMUNITY DEVELOPMENT AUTHORITY (CDA)
Tuesday, February 2, 2016
224 East Jefferson Street, Burlington, WI
Council Chambers
5:30 p.m.

Bil Scherrer, Chairman
Robert Miller, Mayor
Bob Grandi, Aldermanic Representative
Jack Eckola
Chuck Rule
Jim Spiegelhoff
Thomas Wiemer

1. Call to Order
2. Roll Call
3. Approval of minutes from November 24, 2015
4. Persons desiring to be heard
5. **Topic:** Consideration to deny Resolution 114, "A Resolution approving the acceptance of an Offer to Sell real property to Burlington Core Upgrades II, LLC" that was tabled at the June 3, 2014 meeting.
6. **Topic:** Consideration of an option to purchase by Burlington Core Upgrades II, LLC for property located at the intersection of Dodge Street and E. Chestnut Street.
7. Adjournment

Note: Notice is hereby given that a majority of the members of the Common Council may be present at this meeting. Although this may constitute a quorum of the Council, the Council will not take any action at this meeting.

Note: If you are disabled and have accessibility needs or need information interpreted for you, please call the City Clerk's Office at 262-342-1161 at least 24 hours prior to the meeting.



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**CITY OF BURLINGTON
COMMUNITY DEVELOPMENT AUTHORITY
MEETING MINUTES
November 24, 2015 at 5:30 p.m.
224 E. Jefferson Street**

1. CALL TO ORDER

Chairman Bil Scherrer called the meeting of the Community Development Authority to order at 5:30 p.m.

2. ROLL CALL

The following commissioners were in attendance: Chairman Bil Scherrer, Mayor Bob Miller, Tom Wiemer, Jack Eckola, Chuck Rule, and Jim Spiegelhoff. Excused: Alderman Bob Grandi

Also in attendance: City Administrator Carina Walters, Racine County Economic Development Center Loan Specialist Janelle Topczewski and Attorney Jeff Molinski.

3. APPROVAL OF MINUTES FROM NOVEMBER 3, 2015

A motion to approve the minutes from November 3, 2015 was made by Commissioner Eckola with a second by Commissioner Rule. With all in favor, the motion carried.

4. CITIZEN COMMENTS

There were no citizen comments.

5. TOPIC: Approval of a Real Estate Mortgage Subordination Agreement between the City of Burlington and KW Precast, LLC.

City Administrator Carina Walters stated that in 2013, the CDA approved a \$200,000 Forgivable Loan to KW Precast for a term of ten years. The intent was to assist KW with their economic development as well as the City's economic development. Part of the agreement was to create 65 jobs by 12/31/2015 and retain those jobs for the term of the loan. Walters further stated that the agreement was to include a subordination agreement; however, was never finalized due to pending details. KW Precast would like to seek another loan and needs to have the subordination agreement finalized before being able to do so, which is the reason this is being discussed. Walters stated that the City has been working with Janelle Topczewski from the RCEDC and their attorney, Jeff Molinski on this item. City Attorney John Bjelajac has reviewed the agreement and sees no issues with moving forward.

Topczewski added that Attorney Bjelajac submitted a memo that referenced two personal guarantees. One of the guarantees was released as an owner in the summer of 2014; a succession plan was then initiated to buy out that owner where the personal guaranty would go to the current owner and the mortgage would be subordinate as it was intended to back in 2013.

Chairman Scherrer asked about the number of jobs that have been created. Topczewski responded that company has confirmed between 68-75 employees and they are working on securing a line of credit with

their bank for some additional contract work to be done, which would secure another 5 to 10 hired positions.

Commissioner Miller stated that KW has recently secured a contract to build the world's largest parking deck at O'Hare Field and that the City has been working with them on some other issues, which includes the need to start shipping 100 foot long concrete beams out of their plant.

Chairman Scherrer called for a formal vote to approve a Real Estate Mortgage Subordination Agreement between the City of Burlington and KW Precast, LLC.

Roll call Aye: Scherrer, Miller, Eckola, Rule, Spiegelhoff and Wiemer. Roll Call Nay: None. All in favor and the motion carried 6-0.

6. ADJOURNMENT

A motion was made by Commissioner Weimer with a second by Commissioner Eckola to adjourn the meeting. With all in favor, the meeting adjourned at 5:40 p.m.



Recording Secretary
Diahnn C. Halbach
Burlington City Clerk

**COMMUNITY DEVELOPMENT AUTHORITY
OF THE CITY OF BURLINGTON
RACINE COUNTY, STATE OF WISCONSIN**

June 3, 2014

Resolution No. 114

**A RESOLUTION APPROVING THE ACCEPTANCE OF AN OFFER
TO SELL REAL PROPERTY TO BURLINGTON CORE UPGRADES II, LLC**

WHEREAS, the Community Development Authority of the City of Burlington, a Municipal Corporation located in Racine County Wisconsin, is the owner of vacated land along E. Chestnut Street and Dodge Street (Lots 1, 2, 3 and 4 of Block 27 of the Original Plat of Burlington); and,

WHEREAS, the City of Burlington has submitted an Offer to Sell real estate for said property to Burlington Core Upgrades II, LLC, attached hereto as Exhibit "A"; and,

WHEREAS, an offering price of \$1 has been extended to the City with the agreement that Burlington Core Upgrades II, LLC maintains the property in an orderly condition in compliance with all applicable City Ordinances.

NOW, THEREFORE, BE IT RESOLVED by the Community Development Authority of the City of Burlington, Racine County, State of Wisconsin, to accept the terms and conditions as stated within Attachment "A" *Offer to Sell Real Property* attached hereto, signed by Burlington Core Upgrades II, LLC.

BE IT FURTHER RESOLVED that the Community Development Authority Executive Director is hereby authorized and directed to execute this agreement on behalf of the City.

Dated this 3rd day of June, 2014.

William Scherrer, Chairman

Kevin M. Lahner, Executive Director

OFFER TO SELL
REAL PROPERTY

The undersigned Seller, Community Development Authority of the City of Burlington, hereby offers to sell the real property described in attached Addendum A, to Buyer, Burlington Core Upgrades II, LLC, under the terms and provisions contained in attached Exhibit "X", such terms and provisions hereby incorporated herein by reference.

If Buyer wishes to accept this Offer to Sell, Buyer must properly execute this document (including, as applicable, the attachments) and then return the same so that the fully executed Offer to Sell is actually received by Seller, or by Seller's attorneys in the law firm of HANKEL, BJELAJAC & KALLENBACH located at 601 Lake Avenue, Racine, Wisconsin, on or before the date of May 28, 2014. If this Offer to Sell is not so executed by Buyer and so received by Seller or Seller's attorneys on or before such date, then this Offer to Sell shall automatically become null and void.

Seller may withdraw this Offer at any time (prior to Buyer delivering an accepted copy of this Offer by personal delivery as described above) by giving written or oral notice to Buyer of such withdrawal of the Offer.

Dated this ____ day of May, 2014.

SELLER: Community Development Authority
 of the City of Burlington

By: _____
Bil Scherrer, Chairman

ACCEPTANCE

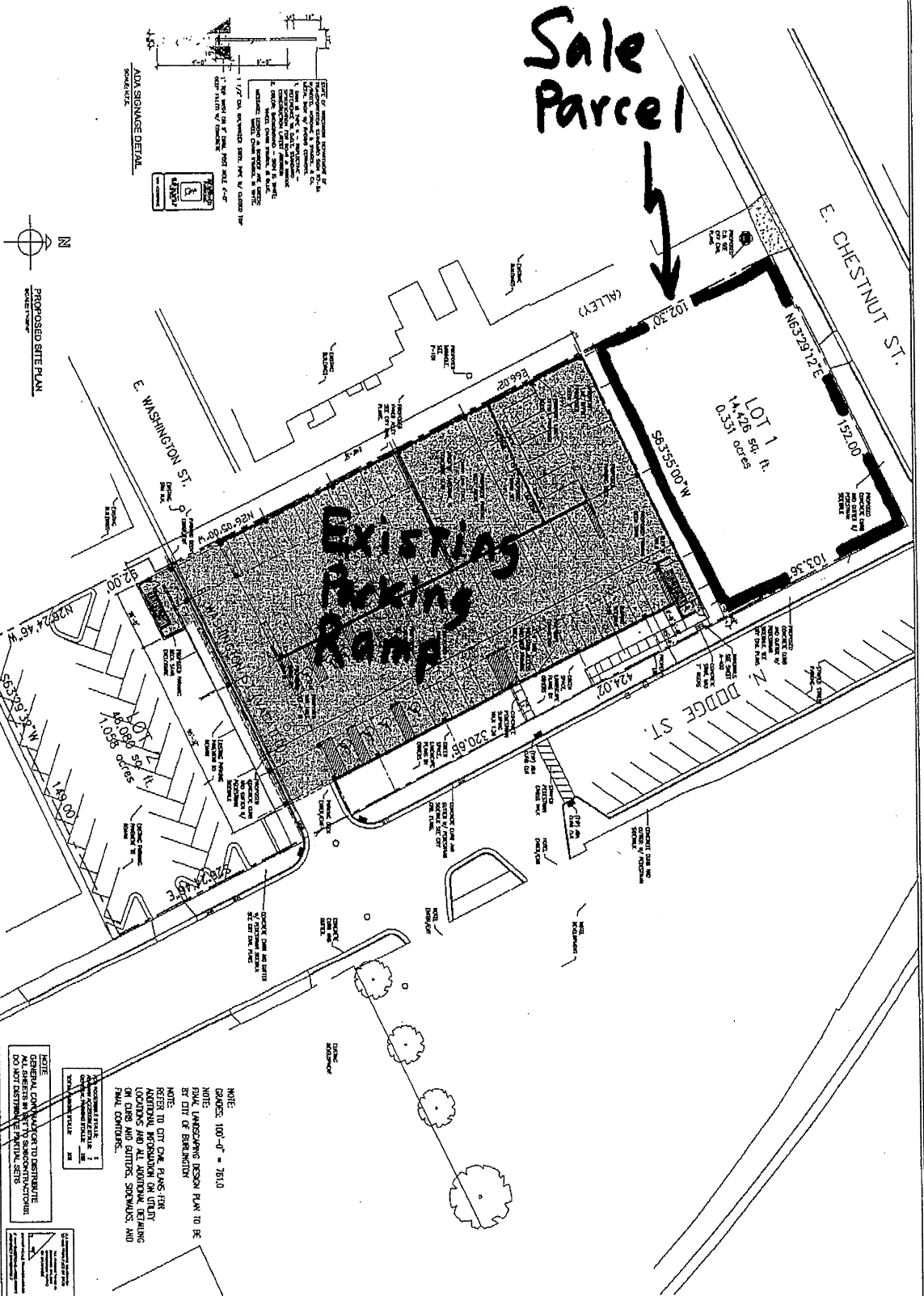
THIS OFFER TO SELL IS HEREBY ACCEPTED. THE UNDERSIGNED BUYER HEREBY AGREES TO PURCHASE THE ABOVE-DESCRIBED REAL PROPERTY UNDER THE TERMS AND CONDITIONS DESCRIBED ABOVE.

Dated this ____ day of May, 2014.

BUYER: Burlington Core Upgrades II, LLC

By: _____
William Stone, Member

Sale Parcel





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**CITY OF BURLINGTON
COMMUNITY DEVELOPMENT AUTHORITY
MEETING MINUTES
June 3, 2014 at 5:30 p.m.
224 E. Jefferson Street**

1. CALL TO ORDER

Chairman Bil Scherrer called the meeting of the Community Development Authority to order at 5:30 p.m.

2. ROLL CALL

The following commissioners were in attendance: Chairman Bil Scherrer, Mayor Bob Miller, Alderman Todd Bauman, Tom Wiemer, Jack Eckola, Jim Spiegelhoff and Judie Lemieux. Also in attendance: City Administrator Kevin Lahner and City Attorney John Bjelajac.

3. APPROVAL OF MINUTES FROM APRIL 8, 2014

A motion to approve the minutes from April 8, 2014 was made by Commissioner Miller with a second by Commissioner Eckola. With all in favor, the motion carried.

4. CITIZEN COMMENTS

Second District Alderman, Ruth Dawidziak, 1165 Hidden Creek Lane, expressed her concern regarding the \$1 sale to Burlington Core Upgrades II, LLC and does not feel this dollar deal is a good idea. She has had quite a few discussions with members of the community who feel the same way. Dawidziak stated that although there have been successful deals in the past with the City, she did not see the need or the justification for this one especially with no solid plans, interests, commitments, tenants, or retailers. Dawidziak further stated that members of Burlington Core Upgrades II, LLC has had ample time to market and develop this property and was already granted an extension for plans to break ground in 2013 of which for a variety of reasons did not happen. Dawidziak stated that she respects the time and money that has been put in this overall project since its inception in 2009, however, she believes Burlington Core Upgrades II, LLC has taken this project as far they can. Dawidziak went on to point out items discussed in the minutes from the April 8, 2014 CDA meeting that she disagrees with, which includes lending a retail/residential development in the downtown area and feels the City is already maxed out on multi-family units. Dawidziak stated that overall she doesn't see Burlington as a transient community where people just come to rent and that Burlington is a place where people come to buy a home and raise a family and be a part of a small town and although she understands the need for multi-family units, she feels the city already has plenty with the existing units and current projects. Dawidziak also raised concerns with potential parking issues and mixed use residential units having a negative impact on downtown businesses and their customers. Dawidziak also felt that comparing Burlington's downtown district to the "live to work" concept in Milwaukee's Third Ward district was not a fair comparison and that successful comparisons with communities that are similar in size would be more useful when making decisions such as this. Dawidziak stated that the City of Burlington and the CDA have an obligation to do what is best for the downtown area and the City as a whole, of which improves our resident's quality of life and is an asset to existing businesses. Dawidziak requested that the Board, in due diligence, vote

against this dollar deal and explore RFP's from other developers for fresh ideas and perspectives and, in the meantime, utilize this space as green space until the City is able to find the right development fit.

John Maltby, 149 West Washington Street, stated that the City would be selling this property to a couple of individuals, not a development group and compared the deal to that of the "McKillip Days" and didn't even understand why the City would be considering this deal in the first place and that the space would be better off as empty land than to just give it away to somebody else.

Brad Brewer, 324 Highridge Road and owner of RAW Salon, stated that he agreed with Dawidziak and, as a local business owner, he and a business partner are actually interested in the property and would consider donating it back to the City for a period of time for possible use as a small garden space or park and feels that it might be time to give some other people an opportunity to do something new with this space, especially for the price of \$1.

5. REVIEW AND CONSIDERATION OF RESOLUTION NUMBER 114, "A RESOLUTION APPROVING THE ACCEPTANCE OF AN OFFER TO SELL REAL PROPERTY TO BURLINGTON CORE UPGRADES II, LLC"

Chairman Bil Scherrer introduced Resolution Number 114. Attorney John Bjelajac explained the resolution and the proposed offer to sell agreement, in which would be an "as is sale" and then further explained the key features of the agreement.

Lahner invited Bill Stone and Tom Stelling, of Burlington Core Upgrades II, LLC, to talk about their proposal. Stelling explained the development and conceptual plan for the downtown area as well as the history of the most recent redevelopment of the downtown area including the Hampton Hotel and parking structure. Stelling stated that the undeveloped land next to the parking garage had always been planned to be utilized as a retail and office development; however, in 2009 the economy crashed and retail space was no longer a good idea. Stelling stated that they received quotes from developers that ranged in price from \$15-\$18 per square foot to develop the property for retail space; however, rental spaces in the downtown Burlington district only goes for about \$8-\$10 per square foot, of which there is currently ample space already available. Stelling said that to build a 3-story building would be a \$5 million white box investment, which would not be economical. However, Stelling did find people that would want to buy in with them build apartments. Stelling further stated that their concern was not so much to build apartments, as it was to utilize the property to be built in the proper way when it was appropriate and in the meantime the space would be maintained and they have always had the best interest of the City in mind.

Stone stated that downtowns across America are in dire straits and this situation isn't unique just to Burlington and for those that have lived here, have seen the downtown area go from a Friday night bustling retail place to nearly non-functioning and now has many vacancies. Stone further stated that they thought they could combine a first floor retail space with second and third floors to be utilized as office space but because of the economy, there was a change in which direction the development should go and although residential isn't their first choice, Stone believes that building something that involves apartments is what will bring the most value to the downtown district and disagrees that Burlington isn't in need of additional multi-unit living spaces.

Dawidziak commented that she understands the history and appreciates what has been done in the downtown area; however her concern is selling the property for \$1 when that doesn't need to happen. Dawidziak further stated that if there is no interest in retail space or professional buildings at this time

then there shouldn't be an urgency to sell this property for \$1. Dawidziak suggested that the City maintain this property and sit and wait and allow developers to submit RFP's when the time is right and feels the Board should table this topic for now, let the land sit, get other ideas and possibly follow a different direction that hasn't been presented yet. Dawidziak also stated that she spoke with director of the DPW and was told that this parcel could be very easily maintained as a green space until a better plan comes along.

Alderman Jon Schultz, 313 W. Chestnut Street, asked if the property was to be sold for \$1 and no development occurred within a five year time frame, could the City take the property back and sell to someone else or does the current owners have the option to resell the property if they decide they no longer want it. Attorney Bjelajac responded that as the document is currently drafted, the City would not take back the land; however language could be asserted into the agreement that would allow the City to do so if need be.

Chairman Scherrer attested to the merit and character of Bill Stone and Tom Stelling and stated they are both longtime residents of the Burlington Community and has invested a lot into the City and has better knowledge of what would work in Burlington versus an outside development company that isn't familiar with the city at all.

Lahner stated that the City could do "reversionary rights" whereas the city could take the property back if development doesn't occur over a certain period of time and is much easier to do with a clean title; however, it becomes much more complicated when additional parties become involved and would want to avoid situations with a "messy title".

Alderman Bauman asked if this property had been offered to anybody else besides Burlington Core Upgrades II, LLC. Lahner replied that the option was originally assigned to the Peter and Leslie Scherrer Group; however, because of a falling out, the property then became assigned to Burlington Core. Lahner added that the property has not been offered on the open market mainly because Burlington Core was the original group of investors involved in both the hotel and parking garage projects, of which is now Burlington Core Upgrades II, LLC.

Commissioner Miller commented that there has been a couple of other inquiries of this parcel, however, those that have shown interest are 100% interested in developing this as residential.

Brewer stated that he has an interest in the property as well and would like to see this parcel cleaned up and made to look good again.

Commissioner Eckola asked if Tom and Bill's ownership would preclude the City from marketing this property and enlisting the RCEDC to come in and take a look for ideas and suggestions. Lahner responded that there would still be City control of the property in terms of zoning codes and the terms of a developer agreement that would have to occur, but there wouldn't be ownership control. Lahner said there are strong arguments on both sides regarding what to do with this property; the city could go to the open market, hire a realtor, work with RCEDC, do an RFP process, or continue on with Burlington Core Upgrades II, LLC. Lahner continued saying that the argument on one side is there would be a more open process which could result in new, different, and fresh ideas, however, challenges exist with this option as well due to the market, the location, and differences of opinions of how the property should be developed. The other side of the argument is whether or not to commit to one developer for a nominal price.

Schultz asked how the property is currently zoned. Lahner responded it's zoned as B-2 with a historical preservation overlay, and with the current zoning you could have a mixed use with a conditional use permit, which would mean you could have apartments above retail – it would also have to go through the HPC for a Certificate of Appropriateness to ensure the historical look and feel of the downtown historical district. Schultz asked who issues the Conditional Use Permit. Lahner responded that the Planning Commission issues those permits and is reviewed on a regular basis.

Chairman Scherrer asked the Board for a motion regarding Resolution Number 114. A motion was made by Commissioner Miller with a second by Commissioner Spiegelhoff to table Resolution Number 114 to a later date. A future date was not established at this time.

Lahner suggested getting all the core members and interested groups together to further discuss and when the time is right, bring back to CDA.

With all in favor and the motion carried 7-0.

6. ADJOURNMENT

A motion was made by Commissioner Miller with a second by Commissioner Eckola to adjourn the meeting. With all in favor, the meeting adjourned at 6:14 p.m.

Recording Secretary
Diahn C. Halbach
Burlington City Clerk



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MINUTES COMMUNITY DEVELOPMENT AUTHORITY April 8, 2014 at 5:30 p.m. 224 E. Jefferson Street

ROLL CALL

The following commissioners were in attendance: Chairman Bil Scherrer, Mayor Bob Miller, Alderman Todd Bauman, Tom Wiemer, Jack Eckola, Jim Spiegelhoff and Judie Lemieux. Also in attendance: City Administrator Kevin Lahner and City Attorney John Bjelajac.

APPROVAL OF MINUTES FROM AUGUST 13, 2013

A motion to approve the minutes from August 13, 2013 was made by Commissioner Miller with a second by Commissioner Weimer. With all in favor, the motion carried.

CITIZEN COMMENTS

None

CONSIDERATION OF OPTIONS FOR PROPERTY LOCATED AT THE INTERSECTION OF DODGE STREET AND E. CHESTNUT STREET

- Chairman Scherrer introduced this item for discussion.
- Bill Stone and Tom Stelling, representing Burlington Downtown Core II, presented an overview of the concept plan for the retail/commercial building. Stelling explained that Burlington Downtown Core II took over the Option to Purchase in 2011, with a two-year extension in 2012. Extensive marketing began in 2011, however with the economic downturn, commercial vacancies, more affordable comparables and ownership/lease issues have created many obstacles in securing tenants for the multi-use building. Stelling requested the commission consider one of two options for Burlington Downtown Core II regarding the future of the project:
 - Option 1: The CDA would sell the land to Burlington Downtown Core II for \$1. Core II will improve and maintain the property, pay property taxes and continue to market the property.
 - Option 2: The CDA extend the Option to Purchase two more years to 2016 and allow Core II to develop a plan for first floor retail with second and third floor residential units.
- Commissioner Eckola questioned if the CDA sold the land for a \$1 could the property be temporarily converted to park land. Stelling stated the gravel would be removed from the lot and the lot would be kept clean. Eckola further stated he doesn't feel the market is going to change anytime soon and is afraid another extension will be requested in 2016.
- Administrator Lahner stated this will be a pragmatic decision for the CDA. If extended, Core II is comprised of local business men that care for the community and will take care of the property. Marketing

and proposals would likely need to involve residential due to the economy. If the CDA retained the property Requests for Proposals would be needed to develop the property.

- Alderman Bauman questioned if a residential proposal had been marketed in the last two years. Stelling stated it has not as there would be many amendments to the design.
- Commissioner Eckola questioned if there is an issue with residential units downtown. Stelling stated the parking structure would need to be utilized and many stalls would be taken up by residents. Commissioner Wiemer questioned what the ramifications would be on parking. Lahner explained that code requires 1.5 parking spaces per apartment. Currently during the day the first floor of the structure is full, the second is half full and the third is typically empty.
- Bill Stone stated the original goal was to have the first floor as medical offices however the economy and Affordable Health Care Act has caused some difficulties finding tenants. Stone further stated the differential between this space and other vacant retail space in the city is roughly \$10/square foot.
- Alderman Bauman questioned if there was retail on the first floor with residential on the second and third would the first remain vacant due to the economy. Stelling stated the city could look into a concept called “live to work” where residents rent the retail space and live in the rear of the unit. He stated this concept has been approved in Milwaukee in the Third Ward. Lahner stated in the case of retail and apartments, typically the apartments will draw in the funding and subsidize the retail space costs. Stelling stated in order to change to retail and apartments the design would need to be altered and 24 units would be the maximum recommended for that corner lot.
- Commissioner Wiemer questioned if a market study has been done to determine the demand for residential units. Stelling stated he asked WHEDA however they said they had not done a study. Lahner stated WHEDA develops a Qualified Allocation Plan (QAP) every two years which is a needs analysis that they base tax credits and funding on. This plan has indicated there is a market for multi-family residences in Burlington. He further stated that it is evident developers are interested in constructing multi-family buildings in the city such as Riverview Village, West Ridge, Fox Crossing and the Springbrook apartment developments.
- Commissioner Eckola questioned if Requests for Proposals (RFP) have been advertised to gauge interest in the development. Lahner stated not at this time however it is an option the commission can explore. Eckola further inquired if the property is sold to Core II would there be any stipulations. Lahner stated there would be an agreement to sell that would state specific requirements and give time tables. The developers would also need to follow zoning code and Plan Commission requirements.
- Chairman Scherrer stated he does not want to go through the process of looking for and getting to know another development group for the project.
- Commissioner Eckola recommended putting together a sale agreement with Burlington Downtown Core II. Scherrer agreed. Lahner and City Attorney Bjelajac stated they will put together an Offer to Sell and bring back to the board for review.
- There was no further discussion.

A motion was made by Commissioner Lemieux with a second by Commissioner Eckola to extend the Offer to Purchase to May 30, 2014 and for the City Attorney to draft an Offer to Purchase with Burlington Downtown Core II. Roll call Aye: Scherrer, Miller, Bauman, Eckola, Lemieux, Spiegelhoff and Wiemer. Roll Call Nay: None. All in favor and the motion carried 7-0.

ADJOURNMENT

A motion was made by Commissioner Lemieux with a second by Commissioner Eckola to adjourn the meeting. With all in favor, the meeting adjourned at 6:17 p.m.

Recording Secretary
Megan E. Watkins
Director of Administrative Services

January 22, 2016

Dear CDA Members,

I would like to present my historical recollections, perspectives and concerns over the vacant property at the corner of East Chestnut and Dodge Streets next to the City's new parking structure. In 2008 a "Vision" was set forth to the City by a small group of business owners and concerned citizens to better utilize a blighted area within and adjacent to the Burlington Historic Downtown. The plan was a vision of the future. Below is an outline of our timeline of events regarding this property.

BURLINGTON CORE UPGRADES II, CHESTNUT AND DODGE ST. DEVELOPMENT

- 1) Those concerned citizens along with others of the same "Vision" from Burlington formed 'Burlington Core I, L.L.C. in 2009 to develop property on the blighted site of the old Burlington Coop retail store. Core I joined forces with the Lexington Group of Milwaukee to form the Burlington Hotel Group. After many months of negotiations and financing challenges, Hilton's Hampton Inn project broke ground in the summer of 2010 with completion in Jan. 2011.**
- 2) Part of Hilton's requirements was that a parking structure was necessary for them to sign off on the project. The City agreed to construction of a parking structure, which was needed for the hotel project as well as for downtown businesses.**
- 3) In Oct. 2010, Leslie Scherrer Development LLC obtained an option to develop the property at Chestnut and Dodge with an expiration date of 30 April 2012. Core II (formed by 3 of the above mentioned Core I parties) obtained this option from them in March 2011.**
- 4) In early 2011 Core II had a major tenant interested in over ½ of the project and several other parties interested in approximately 1/3 of the remaining available space. However, the major party withdrew in the summer of 2011 and we went back to the drawing board.**
- 5) In the late fall of 2011 we identified a Madison development firm interested in working with us plus we identified an investor from California, with local ties, looking for a Burlington investment.**
- 6) Our option was to expire in April 2012 and we met with the CDA April 4, 2012, with our request to extend the option for 2 years, which was**

granted, giving us until April 30, 2014, to exercise this option by securing financing on our project.

- 7) We continued discussions with several interested parties (many medically related) and planned to push ahead with plans, breaking ground in late 2012 or early 2013.**
- 8) Challenges that slowed our progress included: difficulty obtaining financing due to changing bank regulations; a very slow economy; and structural changes in health care delivery, giving some of our participants cause to be concerned.**
- 9) We requested a meeting with the CDA and on August 6, 2013 we met to discuss our difficulties and suggested that we needed to own the property to proceed. This request was postponed.**
- 10) In March 2014, at a CDA meeting, Core II presented a detailed discussion of our difficulties in developing this property without land ownership and suggested 2 alternatives: 1) re-consider allowing us to purchase the property; or 2) extend our option 2 more years and allow us to add 2 extra floors of 1 and 2 bedroom apartments to the project.**
- 11) As a result of an April 8, 2014 CDA meeting, the City attorney prepared an offer to sell the property to us for \$1 (as outlined in the original Option to Purchase agreement), which we received on May 23, 2014. On June 3, 2014, the CDA met to consider resolution 114, "A resolution approving the acceptance of an Offer To Sell Real Property to Burlington Core Upgrades II, LLC". After much discussion, Mayor Bob Miller moved to table the issue pending a parcel appraisal.**
- 12) The City of Burlington had this property appraised by Pitts Brothers and Associates, LLC and their report as of July 16th, 2014 valued it at \$70,000. City Administrator Kevin Lahner was not able to help us resolve this issue prior to his departure and it remains on the table.**
- 13) Over the past 6-12 months, we have developed significant interest with several different local and non-local entities to proceed with this development. However, property ownership by this group is essential to protect our interests and those of these new investors. Ownership will also help ensure achieving our financing objectives.**

At this time Core II would like to propose offering the City of Burlington the full appraised price of \$70,000 with two stipulations: 1) That reasonable costs to prepare the property for green space and or parking be covered by the purchase

price; 2) That the remaining monies after stipulation #1 be allocated to the Historic Preservation Façade Improvement and Maintenance Fund.

Sincerely Yours

William H. Stone
Core II Representative